STATE OF FLORIDA

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MARSHALL WILLIS, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

September 7, 2010

Susan D. Ritenour Secretary and Treasurer and Regulatory Manager Gulf Power Company One Energy Place Pensacola, FL 32520-0781

Re: Docket No. 100368-EI, Request for approval to initiate depreciation of a Landfill Gas to **Energy Facility in Escambia County by Gulf Power Company**

Dear Ms. Ritenour:

After reviewing Gulf's responses to our first data request, staff has a few additional questions.

Please provide your responses by September 21, 2010. If there are any questions, please contact Sue Ollila at (850) 413-6540.

Sincerely,

Dave Dowds

Supervisor, Cost Analysis Section

DD/SO:lr Enclosure

cc:

Office of Commission Clerk (Docket No. 100368-EI)

Office of the General Counsel (Fleming)

Request for approval to initiate depreciation of a Landfill Gas to Energy Facility in Escambia County by Gulf Power Company – Docket No. 100368-EI Second Data Request

- 1. Which customer class(es) will use the power generated by the Perdido Landfill Gas to Energy Facility?
- 2. Please refer to Gulf's Response to Staff's First Data Request, Question No. 11. According to the response, the expected date of commercial operation was moved from August 2010 to September 2010. Gulf also stated that the start of commercial operation is "dependent on the availability of gas from Escambia County." Please explain why the availability of gas from Escambia County was delayed. Does Gulf expect further delays?
- 3. Section 2.5 of the contract (page 5) between Gulf and Escambia County provides for approval of the contract by the Florida Public Service Commission. Is this provision still valid in light of the February 4, 2010 contract amendment? Please explain your answer.
- 4. Please explain why Gulf's request for a depreciation rate for this unit was not included in Gulf's 2009 Depreciation and Dismantlement Study.
- 5. Please provide staff with the date of the unit's actual start of commercial operation. If the date is not in September 2010, please provide the date and explain the reason for the additional delay.
- 6. Please refer to Gulf's Response to Staff's First Data Request, Question No. 4. According to the response, Gulf expects to have the retirement units finalized by the end of September 2010. Please provide the retirement unit data to staff when it is available.
- 7. Please refer to Gulf's responses to Staff's First Data Request, Question Nos. 11 and 12. According to the responses, the expected in-service date will be in September 2010; however, Gulf's proposed date for implementation of the depreciation rate is October 1, 2010. Please explain the discrepancy.